

EXHIBIT 9 b

To

25 June 2007

Affidavit of Bias

Pursuant to 28 USC § 144

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conference

1 MR. LOWY: Right.

2 THE COURT: There is no way he has suddenly become a
3 defendant's lawyer because he is working with defense counsel
4 to try to settle cases. That doesn't turn him into the
5 defendant's agent or the defendant's lawyer.

6 So, even if Dr. Stieldorf called these witnesses and
7 even if he attempted to get them not to testify because he
8 thought it threatened his settlement, that is not the
9 responsibility of any of these defendants. Even if he thought
10 he was protecting a settlement that he had reached with some
11 defendants, most of whom are not here; the only one who is
12 barely is GBK --

13 I don't mean to insult you. I say barely because you
14 are making a special appearance, that's what I mean barely
15 here. You, of course, are fully here. I see you clearly. You
16 are here. I only meant barely because of the special
17 appearance.

18 MS. VALLETTA: I understood, your Honor.

19 THE COURT: So, the other two aren't even here.

20 All I am trying to say is if he is working with them
21 collectively to settle the case, it does not turn him into a
22 defendant's lawyer who violated any rules.

23 On top of all that he is not, I don't think, subject
24 to the rules of this court. He is not admitted here, right?
25 Anybody know if he is an American lawyer admitted to the

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1 Supreme Court's -- I can't remember the name of that.

2 MR. BISHOP: Sinochem.

3 THE COURT: Yes, Sinochem.

4 In any event, the reply papers on that one are now due
5 May 4th. We just did that. So, until that is in, it is not
6 in.

7 Going back to Mr. Rooney's agenda. No. 4 on his
8 agenda is the last item on his agenda and has many subparts and
9 that's the one, Mr. Fagan, he had asked for an update on a lot
10 of your problems. And you wrote in one of your many letters:
11 I'm happy to update people on all the problems.

12 So, we can work backward. He listed five subparts, A,
13 B, C, D and E, and the last, E, has to do with the bankruptcy
14 proceedings in both New Jersey and Florida. What is the update
15 on that? Is the Chapter 7 still pending?

16 MR. FAGAN: Your Honor, there is no order for relief
17 entered. There is a motion and we are litigating in Florida
18 over a Chapter 11.

19 THE COURT: I know that. What is the status of the 7?

20 MR. FAGAN: The 7 is standing there. There is nothing
21 going forward in the 7 and they're waiting to see what happens
22 in the 11 in Florida.

23 THE COURT: And what is the status? What is happening
24 in the 11?

25 MR. FAGAN: There was a hearing on Monday, your Honor.

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1 THE COURT: This past Monday?

2 MR. FAGAN: Yes, your Honor.

3 THE COURT: And what happened?

4 MR. FAGAN: Nothing. There is going to be an
5 evidentiary hearing in two weeks. The Judge --

6 THE COURT: What is some Judge hearing evidence on?

7 MR. FAGAN: On whether or not the 11 can go forward in
8 Florida based on venue.

9 THE COURT: Oh.

10 MR. FAGAN: And the judge is Judge Glenn, and Judge
11 Glenn is going to have this evidentiary hearing, I believe it
12 is on May the 9th or the 8th; I have to look back and see. And
13 then, based on what is given to him, he will decide whether the
14 case stays in Florida or moves back up to New Jersey.

15 THE COURT: Okay.

16 Then D asks for explanation about tax returns.

17 MR. FAGAN: Filed, your Honor.

18 THE COURT: Because apparently you have unpaid state
19 and federal taxes of \$1.5 million that you listed when you
20 listed your 20 largest creditors in the Chapter 11 proceedings.

21 MR. FAGAN: The tax returns were filed, your Honor.

22 THE COURT: When were they filed?

23 MR. FAGAN: They were filed a few days ago.

24 THE COURT: Oh.

25 MR. FAGAN: And the tax returns show no liability.

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1 THE COURT: Showing what?

2 MR. FAGAN: No liability, your Honor. No tax
3 liability. No tax --

4 THE COURT: I thought you listed them as a creditor.

5 MR. FAGAN: Your Honor, what I did in the --
6 originally I estimated what I thought, without prior to
7 consulting with an accountant, what the liability might be. I
8 overestimated to be cautious. I explained all of that already
9 in 341 meetings. We filed the returns. And Judge Glenn is the
10 one that has to deal with the issue of the returns. There is
11 no tax liability.

12 THE COURT: So although you listed \$1.5 million owing,
13 you are wrong.

14 MR. FAGAN: Right.

15 THE COURT: Zero is owing and now --

16 MR. FAGAN: There is some that's owed, your Honor.

17 THE COURT: I thought you said zero with no liability.

18 MR. FAGAN: I overestimated the liability. I was
19 talking about the tax liability on the returns.

20 THE COURT: Yes. How much do you owe?

21 MR. FAGAN: There is about two hundred and something
22 thousand owed, old liability.

23 THE COURT: Right.

24 MR. FAGAN: And that's what the bankruptcy lawyer is
25 going to be dealing with.

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1 THE COURT: Right.

2 But now, as of three days ago, you have filed your tax
3 returns?

4 MR. FAGAN: Yes.

5 THE COURT: C, update of the status. We just did
6 that. B, update on the Austrian criminal proceedings against
7 you.

8 MR. FAGAN: There is no Austrian criminal proceeding
9 against me.

10 THE COURT: Mr. Rooney, what were you referring to
11 then in your e-mail?

12 MR. ROONEY: Well --

13 THE COURT: Maybe he is talking about the word
14 "proceeding." Is there an Austrian criminal investigation,
15 pending, Mr. Fagan?

16 MR. FAGAN: No, your Honor. There isn't.

17 THE COURT: No investigation or proceeding. What were
18 you referring to?

19 MR. ROONEY: Well, there was an affidavit submitted by
20 Mr. Swift that there is an allegation of Mr. Fagan had sex with
21 an underaged prostitute in Austria, your Honor.

22 THE COURT: I remember that.

23 MR. FAGAN: And if Mr. Rooney had checked with
24 whomever it was that he wanted to check for writing that, what
25 he would have found out is that the investigation produced all

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1 the witnesses who they claimed were originally the ones that
2 made certain statements said absolutely it is not true. I
3 don't even know this guy.

4 So, there is no investigation.

5 THE COURT: We have had the update. Fine. That's the
6 update.

7 The last one is an update on the status of the
8 disciplinary proceeding in New Jersey and what took place on
9 the last day of hearing.

10 When was the last day of hearing?

11 MR. FAGAN: The last day of hearings, your Honor, was
12 the -- it was Thursday -- last Thursday.

13 THE COURT: April 18th or something?

14 MR. FAGAN: I think it was -- the 19th is Thursday.

15 THE COURT: What happened on April 19th?

16 MR. FAGAN: Mrs. Sapir, from France, the sister-in-law
17 of the lady who they say I stole money from came in and said it
18 didn't happen. So, she has no knowledge of anything. She came
19 in, she submitted an affidavit. I can even hand up the
20 affidavit.

21 THE COURT: I do not want the affidavit. They asked
22 for an update. What is the update?

23 MR. FAGAN: The update is there is briefing schedules.
24 It is very similar to what I already reported in response to
25 the Court's order to show cause.